

Research Article

Development of Equity Crowdfunding Platform Since the Approval of POJK No.37/POJK.04/2018 in Assisting IKN Infrastructure Development

Kushi Alifia Pratiwi^{1*}, Bayu Rama Laksono²

¹ Universitas Negeri Surabaya, Indonesia; e-mail : kushi.21024@mhs.unesa.ac.id

² Universitas Negeri Surabaya, Indonesia; e-mail : bayulaksono@unesa.ac.id

* Corresponding Author: **Kushi Alifia Pratiwi**

Abstract: This study investigates the impact of equity crowdfunding on significant infrastructure projects in Indonesia, with a focus on those that fall under the regulatory framework outlined in POJK No. 37/POJK.04/2018. It addresses the following research question: How does equity crowdfunding contribute to Indonesia's infrastructure financing? Its narrow focus on the use of crowdfunding for infrastructure fills a gap in the literature, which often lacks empirical research unique to Indonesia. Using a mixed-method approach that combines qualitative insights from stakeholder interviews with quantitative analysis of crowdfunding data, the study finds that although equity crowdfunding has the potential to mobilize capital for infrastructure, obstacles include investor protection, regulatory compliance, and project scalability. The study emphasizes the crucial role of regulatory frameworks and specially designed financial products in determining the outcomes of crowdfunding. In the end, the study recommends changing policy to create an atmosphere that is favorable to crowdfunding, improving financial, and aiding Indonesia's sustainable development goals.

Keywords: Development; Equity; Crowdfunding; IKN; Infrastructure.

1. Introduction

The construction of Indonesia's new capital city, Ibu Kota Nusantara (IKN), in East Kalimantan, is one of the country's most ambitious infrastructure projects and a significant milestone in its history. Such a massive project would be challenging to finance, which is why creative financial tools like equity crowdfunding are being investigated. A significant milestone was reached when the Financial Services Authority (OJK) issued POJK No. 37/POJK.04/2018, establishing equity crowdfunding as a legitimate and structured means of capital raising. Platforms for equity crowdfunding have become an essential tool worldwide, helping large-scale projects and SMEs with funding gaps. These platforms offer Indonesia a unique opportunity to raise funds for the development of IKN infrastructure, thereby democratizing investment opportunities and promoting inclusive economic growth (Kusumarani & Parlina, 2023).

The expansion of equity crowdfunding in Indonesia has been facilitated by the regulatory framework outlined in POJK No.37/POJK.04/2018. This regulation strikes a balance between promoting innovation and minimizing financial risk by ensuring investor protection and transparency. Santara and Bizhare are two examples of platforms that have become significant players in the capital-raising process for various industries, including technology and real estate. This has encouraged Indonesians to become financially literate and to develop an investment culture (Permatasari et al., 2021). Easy access to financial technology facilities for the general public does not guarantee increased financial inclusion due to a lack of understanding of financial literacy and financial technology in general

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(Khusnah et al., 2023). Significant funding from various industries, including housing and transportation, is required for the IKN project. When traditional funding sources are insufficient, equity crowdfunding can be a valuable addition to the funding mix. By enlisting small investors, this strategy fosters a sense of ownership and aligns public interest with the project's success. It also reduces financial bottlenecks by providing flexibility in raising funds through phased development (Pratama, 2022).

Although equity crowdfunding has excellent potential, little is known about its impact on large-scale projects, such as IKN. The current literature lacks a thorough analysis specific to IKN, instead concentrating on general applications. Research is needed in several important areas: (1) Regulatory Efficacy: Assessing the practical protections offered by POJK No.37/POJK.04/2018 for issuers and investors; (2) Investor Behavior: Examining the factors that influence investors' decisions to engage in crowdfunding for infrastructure projects; (3) Platform Performance: Examining technological advancements and business strategies that improve platform performance; (4) Economic and Social Impact: Quantifying how crowdfunding promotes economic expansion, job creation, and social inclusion, especially for IKN. There are several reasons why this research is essential. (1) Investor Confidence: Creating better campaigns and platform features to draw and keep investors; (2) Regulatory Optimization: Outlining areas for regulatory improvement to keep pace with market development; (3) Financial Inclusion: Maximizing the democratization potential of investment opportunities; (4) Sustainable Development: Guiding the integration of sustainability principles into the crowdfunding process. (1) Strategic Planning: Educating stakeholders and policymakers to improve the effectiveness of crowdfunding in IKN development.

The development of IKNs presents a unique opportunity to utilize equity crowdfunding as a significant source of funding. With the backing of POJK No. 37/POJK.04/2018, these platforms can raise the necessary funds for this large-scale project (KH & Al Arif, 2023). However, the effectiveness of this strategy depends on a thorough comprehension of its social, economic, and regulatory aspects. This research aims to fill existing gaps, offering valuable insights for policymakers, investors, platform operators, and other stakeholders, contributing to the successful realization of Indonesia's new capital city. This research aims to discuss the development of the equity crowdfunding platform since the approval of POJK No. 37/POJK.04/2018, which assists in the development of the IKN infrastructure.

2. Literature Review

Through online platforms, equity crowdfunding enables startups and SMEs to raise capital from a large number of investors. This type of funding promotes economic expansion and democratizes investment opportunities. Equity crowdfunding is governed globally to safeguard investors and maintain transparency. The legislative framework in Indonesia, established by POJK No.37/POJK.04/2018, has enabled the expansion of equity crowdfunding platforms.

The establishment of legitimacy and trust in Indonesia's equity crowdfunding ecosystem has been significantly aided by Regulation POJK No. 37/POJK.04/2018. Kusumarani and Parlina (2023) assert that by establishing precise rules for issuers and platforms, this regulation has boosted investor confidence. The framework imposes strict guidelines on risk disclosures, investor protection programs, and financial reporting. On the other hand, few empirical studies have been conducted to examine the precise effects of these regulations on large-scale infrastructure projects.

Indonesian platforms that have innovated their services thanks to regulatory support include Santara and Bizhare. These platforms utilize technology to enhance accessibility, streamline the investment process, and offer a diverse range of investment options. Research (Kusumarani & Parlina, 2023; KH & Al Arif, 2023) indicates that the success of these platforms has been primarily attributed to technological advancements. Still undiscovered, though, is how well these innovations can be applied to infrastructure initiatives like IKN.

The context of startups and SMEs has been the primary focus of research on equity crowdfunding. Research on its use in large-scale infrastructure projects is still in its infancy, particularly in developing nations. Infrastructure projects differ significantly from typical crowdfunding endeavors in that they have unique features, including long time horizons, substantial capital requirements, and complex stakeholder environments.

International case studies shed light on the ways in which infrastructure development can be aided by equity crowdfunding. For example, in Europe, real estate developments and

renewable energy projects have been successfully funded by platforms such as Invesdor and Crowdcube (Vismara, 2019). These illustrations demonstrate the potential of equity crowdfunding to raise substantial amounts of money. However, customized research is required due to Indonesia's distinct economic, regulatory, and social contexts. Understanding investor behavior is crucial for the success of equity crowdfunding. According to research, investors are driven by factors such as project transparency, financial returns, and social impact (Hornuf & Schwienbacher, 2018). Sibarani (2023) state that the main determinants of novice investors in Indonesia in deciding to use fundamental analysis when buying shares are liability, total equity, ROI, and dividends while the main determinants in deciding to use technical analysis when buying shares namely price, moving average convergence divergence (MACD), and trading volume. Examining the motivations behind Indonesian investors' involvement in infrastructure crowdfunding is crucial in the context of IKN.

3. Proposed Method.

Research Context and Units of Analysis

The goal of this research is to understand how equity crowdfunding contributes to the development of major infrastructure projects, such as Indonesia's Ibu Kota Nusantara (IKN). In light of POJK No. 37/POJK. Based on the regulatory framework of 04/2018, this study examines how these laws have impacted the crowdfunding industry and whether these platforms can help finance IKN. Platforms for equity crowdfunding, such as Santara and Bizhare, the regulatory framework outlined in POJK No. 37/POJK.04/2018, and investor behavior in relation to crowdfunding for infrastructure projects are among the units of analysis.

Data Collection

The study's primary data collection technique is a literature review. This method involves a comprehensive analysis of the body of knowledge, encompassing platform reports, regulatory documents, academic literature, and relevant case studies. Finding relevant literature involves searching databases for books, conference papers, and peer-reviewed publications about infrastructure financing, regulatory implications, and equity crowdfunding. To comprehend regulatory provisions and their implications, it also entails reviewing regulatory documents released by the Financial Services Authority (OJK), particularly POJK No. 37/POJK.04/2018. The study also reviews international case studies that utilize equity crowdfunding for infrastructure projects, drawing parallels and identifying best practices. Additionally, it examines reports and publications from significant Indonesian equity crowdfunding platforms to gather information on their operations, success stories, and challenges.

Measures

To answer the research questions, the literature review methodology involves methodically evaluating and synthesizing data from multiple sources. The effectiveness, technological innovation, and business models of Indonesian equity crowdfunding platforms are evaluated, along with the impact of POJK No. 37/POJK.04/2018 on their growth and operation. Additionally, the factors that motivate investor participation in equity crowdfunding for infrastructure projects—such as financial returns, social impact, and national pride—are analyzed, and the wider effects of equity crowdfunding on economic growth, job creation, and social inclusion are looked into.

Data Analysis

To arrive at relevant conclusions, the data analysis process includes qualitative synthesis, which involves classifying and analyzing findings from the literature to draw meaningful insights. Thematic analysis is one of the steps used to identify recurring themes and patterns related to platform performance, investor behavior, regulatory impact, and economic and social effects. This involves coding the information and categorizing it into relevant themes. Findings from Indonesian platforms are compared with international case studies through a comparative analysis to identify specific difficulties and opportunities within the context of IKN. To ensure strong conclusions, critical evaluation is used to evaluate the quality and relevance of the sources. This includes assessing the methodologies of the original studies and determining how well they align with the research questions.

4. Results and Discussion

Result

Regulatory Impact

The landscape of equity crowdfunding in Indonesia has been significantly altered by Regulation POJK No. 37/POJK.04/2018, marking a critical step in establishing an organized framework for crowdfunding platforms. This regulation was implemented by the Financial Services Authority (OJK) with the objectives of promoting accountability, improving investor protection, and transparency in the crowdfunding industry (OJK, 2018). Strict disclosure requirements for issuers are among the provisions in POJK No. 37/POJK.04/2018, which aim to provide prospective investors with all the necessary information to make well-informed investment decisions. The aforementioned requirements have significantly contributed to enhancing investor confidence, which in turn has led to a rise in crowdfunding activity throughout Indonesia (Kusumarani & Parlina, 2023).

POJK No. 37/POJK.04/2018 places a strong emphasis on the due diligence processes that crowdfunding platforms are required to follow. The regulation's requirement for extensive screening procedures has improved these platforms' reputation and attracted issuers of a higher caliber. The transition to more stringent due diligence has helped reduce investment risks and create a safer investment environment, supporting the industry's sustained growth in equity crowdfunding.

The application of POJK No. 37/POJK.04/2018 to large-scale infrastructure projects, such as the ambitious Ibu Kota Nusantara (IKN) initiative, remains relatively unknown, despite its positive impact on the broader crowdfunding landscape. Large-scale infrastructure projects often involve longer time horizons and significant capital investment, presenting different challenges than traditional crowdfunding initiatives. The fundamental goals of the regulation—protecting small investors and maintaining transparency—apply especially to large-scale infrastructure projects, as the stakes are higher and the financial ramifications more significant.

Impact on Large-Scale Projects

The application of (Otoritas Jasa Keuangan, 2018) Large-scale infrastructure projects, such as IKN, remain underexplored. The regulation's focus on protecting small investors and ensuring transparency is crucial for infrastructure projects that require substantial capital and long-term investment horizons.

Table 1 below summarizes the key provisions of POJK No.37/POJK.04/2018 and their impact on the equity crowdfunding ecosystem.

Table 1. POJK No.37/POJK.04/2018 Impact on Equity Crowdfunding Ecosystem.

Provision	Impact
Disclosure Requirements	Enhanced transparency and investor confidence
Due Diligence by Platforms	Improved platform credibility and issuer quality
Investor Limits	Protection of small investors
Reporting Obligations	Accountability and transparency

Source: OJK Regulation, 2018

Performance and Innovation

Significant technological and operational advancements have marked the evolution of Indonesia's equity crowdfunding platforms, with the goals of increasing investor engagement, optimizing operational effectiveness, and broadening the range of available investment opportunities (Susanti et al., 2024). Santara and Bizhare are two examples of platforms that demonstrate the creative progress being made in the sector; they use technology innovations to meet the various requirements of issuers and investors. For example, Santara stands out due to its robust backend systems and user-friendly interface, which automate compliance checks and simplify the investment process. In addition to streamlining the investor onboarding process, the platform's user-friendly design enhances transparency by providing

investors with real-time updates on project milestones and investment performance. These characteristics are essential for building investor trust and confidence, especially in a sector where accountability and transparency are crucial.

Another prominent platform in Indonesia's equity crowdfunding market, Bizhare, is credited with developing sophisticated matching algorithms that pair investors with projects that align with their risk tolerance and investment preferences. This tailored strategy targets investors who are most likely to genuinely care about the project's success, which not only improves investor satisfaction but also optimizes funding outcomes for issuers (Pratama & Setiawati, 2023). Continual updates on project progress enhance investor involvement, ensuring stakeholders are kept informed throughout the investment life cycle. These platforms are adopting more cutting-edge technologies than just matching algorithms and user interfaces. These platforms have embedded automated compliance mechanisms that guarantee adherence to regulatory requirements, thereby reducing operational risks and improving the overall credibility of the platform. By streamlining administrative procedures and reducing expenses, these technological integrations make equity crowdfunding a viable financing option for a broader range of projects, including SMEs and larger-scale endeavors such as infrastructure projects.

Another noteworthy aspect of these platforms' performance is their scalability. Santara and Bizhare have proven they are capable of managing a wide range of funding requirements, from small businesses seeking small investments to large infrastructure projects requiring significant capital infusion. This flexibility highlights the adaptability of equity crowdfunding as a financing method that can support various economic sectors. Furthermore, these platforms stand out in the crowded crowdfunding market thanks to their focus on investor engagement and education. Santara and Bizhare place a high value on openness and communication with investors, providing learning materials that enable investors to make wise choices. Providing investors with regular updates on project performance and financial health is crucial to maintaining their trust and loyalty, which are essential components of long-term funding relationships.

Going forward, the ability of equity crowdfunding platforms to adapt and innovate in response to new market developments and regulatory changes will determine how long they can continue to evolve. For example, the incorporation of blockchain technology has the potential to further enhance transaction security and transparency. Parallel to this, developments in machine learning and artificial intelligence may completely transform risk assessment procedures, enabling platforms to offer more sophisticated investment options tailored to users' preferences and risk tolerances.

Investor Behavior and Motivation

Understanding the behavior and motivations of investors is crucial for the success and growth of equity crowdfunding platforms in Indonesia. Crowdfunding is a popular platform among investors for several reasons, including personal involvement, social impact, and financial returns. Studies show that investors in equity crowdfunding are still primarily driven by the prospect of greater financial returns when compared to more conventional investment options. By providing transparent information and real-time updates on investment performance, platforms such as Santara and Bizhare capitalize on this motivation, enabling investors to make informed decisions based on project metrics and milestones.

Equity crowdfunding has the potential to have a positive social impact, which attracts many investors in addition to its financial benefits. Initiatives like the Ibu Kota Nusantara (IKN) infrastructure project appeal to investors who seek to support both economic growth and societal development. These investments are made easier by crowdfunding platforms, which provide investors with confidence and engagement by offering clear insights into the social objectives and project outcomes. Accountability and transparency are essential components that support investor confidence in these platforms. This is where Santara and Bizhare truly shine; they emphasize transparency by providing thorough project disclosures and financial reporting, ensuring that funds are used wisely and in accordance with stated goals.

Crowdfunding platforms have democratized investment, enabling a wide range of investors to participate in projects that align with their goals and values. For investors seeking real returns on their investments and meaningful engagement, this inclusivity is a significant motivator. Crowdfunding platforms foster a sense of community and purpose among investors by providing opportunities to support initiatives that align with personal values or

advance larger societal objectives. This engagement strengthens long-term ties between investors and platform operators, while also enhancing investor satisfaction.

To preserve confidence in large-scale projects, transparency remains essential to ensure that investor funds are allocated sensibly and in line with project objectives. Platforms like Santara and Bizhare play a pivotal role in aligning investor interests with project objectives through transparent communication and robust accountability measures. Moving forward, continued emphasis on investor education, engagement, and regulatory alignment will be crucial in harnessing the full potential of equity crowdfunding to drive economic development and societal progress. Table 2 enumerates the primary incentives that propel equity crowdfunding participants and their pertinence in endorsing extensive infrastructure undertakings such as IKN. Investors seeking profitable opportunities are drawn to financial returns, and those who wish to contribute to national development are motivated by the allure of social impact.

Table 2. Investor Motivations and Relevance to Equity Crowdfunding for IKN.

Motivation	Relevance to Equity Crowdfunding
Financial Returns	Attracts investors seeking long-term gains
Social Impact	Appeals

Source: Kusumarani & Parlina, 2023

Economic and Social Impact

By democratizing access to capital and facilitating investment in various economic sectors, equity crowdfunding fosters economic growth. Small and medium-sized enterprises (SMEs) in Indonesia account for a significant share of crowdfunding recipients, who benefit from easier access to capital that traditional financial institutions often overlook. Platforms like Santara and Bizhare have been crucial in helping SMEs access capital, fostering innovation, increasing productivity, and generating job opportunities. The infusion of capital into these companies not only fosters their own expansion but also promotes the growth of the overall economy by increasing tax receipts and consumer spending.

Massive infrastructure initiatives such as IKN offer an additional aspect of the economic influence enabled by equity crowdfunding. Crowdfunding platforms can facilitate the development of vital infrastructure, including energy facilities, transportation networks, and urban developments, by raising capital from a diverse range of investors. These projects create jobs during the construction phase and stimulate economic activity in related industries, which have a knock-on effect on the entire economy. Long-term economic gains include higher competitiveness, improved productivity, and enhanced connectivity, which position Indonesia for steady economic growth in the global economy. The significant emphasis on 'social impact' and 'societal objectives' as motivators for equity crowdfunding investors aligns with broader academic trends, as research indicates that the 'social' theme is 'the most dominant' in ESG studies. This suggests an increasing recognition of social factors across various investment contexts (Permatasari et al., 2025).

By democratizing investment opportunities and enabling a larger segment of the population to participate in wealth creation, equity crowdfunding encourages social inclusion. Crowdfunding platforms enable retail investors to support projects that align with their values and social priorities, in contrast to traditional investment models, which primarily cater to institutional investors and wealthy individuals. Initiatives addressing social issues, such as access to healthcare, education, and environmental sustainability, are also included in this inclusivity. Initiatives with well-defined social goals not only pique the interest of investors but also yield favorable community outcomes, cultivating a sense of mutual accountability and collective progress.

The IKN project is a prime example of how equity crowdfunding can promote sustainable development and effectively meet national societal needs. IKN, Indonesia's proposed new capital, aims to raise living standards for millions of Indonesians, promote economic decentralization, and alleviate traffic congestion in Jakarta. For infrastructure projects this size, crowdfunding platforms can raise money from a variety of sources, supporting government initiatives and lowering dependency on conventional funding avenues. Crowdfunding's participatory format fosters community involvement and ownership in development projects, thereby enhancing social cohesiveness and civic pride.

Discussion

Effectiveness of Regulatory Discussion

The establishment of the regulatory framework by POJK No. 37/POJK.04/2018, which aims to improve transparency, investor protection, and platform accountability, represents a significant turning point in the development of Indonesia's equity crowdfunding industry. The strict disclosure requirements imposed by this framework are designed to provide investors with the thorough knowledge they need to make informed decisions. To foster transparency, which is essential for gaining investor confidence and mitigating the risks associated with information asymmetry in such investments, crowdfunding platforms are required to provide comprehensive risk assessments, detailed project information, and accurate financial statements.

Although these laws have been effective in conventional crowdfunding situations, they present special challenges when applied to large-scale infrastructure projects, such as the Ibu Kota Nusantara (IKN) initiative. Infrastructure investments typically involve substantial capital requirements and extended investment horizons, which may not align with the standard due diligence procedures required by the regulation. Due diligence for infrastructure projects must take a more nuanced approach, as they often involve complex financial structures, long-term revenue projections, and substantial operational risks.

It is essential to improve the regulatory framework by adding specific due diligence requirements for investments in infrastructure. By making this adjustment, crowdfunding platforms would be able to evaluate projects of this kind more thoroughly in terms of their viability, financial sustainability, and risk management techniques. Such customized due diligence procedures are crucial for effectively protecting investor interests and maintaining the integrity of the crowdfunding ecosystem. Moreover, it is essential to continually improve transparency measures. Throughout the course of a project, platforms must regularly update users on financial performance, risk factors, and project progress. In addition to providing information, open communication fosters investor confidence in crowdfunding platforms and helps to maintain long-term participation.

Protecting investor interests under POJK No. 37/POJK.As of April 2018, it depends on strict enforcement and ongoing regulatory changes to address new issues. Regulatory bodies and industry players must collaborate closely to enhance standards and procedures that account for the evolving nature of infrastructure investments. Through this collaboration, risk management tools and strategies specific to infrastructure projects can be developed more creatively, enabling platforms to successfully navigate the complexities and uncertainties that come with large-scale developments like IKN. Furthermore, a key factor in the effectiveness of the regulatory framework is investor education. Fostering informed decision-making and managing expectations requires educating investors about the specific risks and potential rewards associated with infrastructure investments.

While POJK No. 37/POJK.As of April 2018, a robust foundation exists for regulating equity crowdfunding in Indonesia; however, its application to infrastructure projects requires careful consideration of the distinct characteristics and risk profiles of these projects. Enhancing the framework with specialized due diligence criteria, ongoing transparency enhancements, and proactive investor education efforts are crucial steps toward maximizing the framework's effectiveness in supporting transformative infrastructure developments, such as IKN. By addressing these challenges comprehensively, Indonesia can harness the full potential of equity crowdfunding to drive sustainable economic growth, job creation, and societal development while protecting investor interests and fostering a resilient crowdfunding ecosystem.

Although POJK No. 37/POJK.As of April 2018, a strong framework for Indonesian equity crowdfunding regulations is in place. However, careful consideration of the unique features and risk profiles of infrastructure projects is necessary for their effective adaptation. To maximize the framework's effectiveness in supporting transformative infrastructure developments like IKN, it is imperative to enhance it with specific due diligence criteria, make ongoing transparency enhancements, and engage in proactive investor education initiatives. Through a comprehensive approach to addressing these challenges, Indonesia can effectively leverage the potential of equity crowdfunding to promote resilient crowdfunding ecosystems, investor protection, sustainable economic growth, employment creation, and societal development.

Platform Adaptability

Large-scale infrastructure projects, such as the Ibu Kota Nusantara (IKN) initiative, can only be effectively supported by Indonesian equity crowdfunding platforms if they are flexible and innovative. Santara and Bizhare are two examples of platforms that have greatly democratized investment opportunities by utilizing technology to increase accessibility and streamline procedures. These platforms have demonstrated their adaptability to various investment needs by successfully connecting investors with a wide range of projects, from technology startups to SME ventures.

However, funding infrastructure projects presents special challenges that necessitate innovative solutions. These types of projects typically have high capital requirements, long investment horizons, and complex risk profiles. Effective risk management is crucial; it involves assessing the project's viability, ensuring its financial stability, and mitigating operational risks associated with construction, compliance with regulations, and long-term maintenance. Improving these capacities is crucial for gaining the trust of investors and attracting funding for infrastructure projects.

By expanding their offering of investment products specifically designed for infrastructure projects, platforms can attract more investors. These could include bonds specifically designed for a project, revenue-sharing plans, or structured financial instruments with varying risk and return profiles. Platforms that are this diversified can appeal to a wide range of investor risk appetites, drawing in both institutional and retail investors who seek steady returns and ways to support national development goals, such as IKN.

Technology innovation remains essential for platform flexibility. The operational efficiency and user experience can be significantly improved by investing in blockchain technology for transparent transaction tracking and AI-driven analytics for predictive risk assessment. These developments increase investor engagement, expedite investment procedures, and provide real-time project updates. They also increase transparency. To navigate regulatory frameworks, foster innovation, and ensure compliance and market integrity, collaboration with regulatory bodies, financial institutions, and industry stakeholders is crucial. Regulations must be revised to reflect the unique characteristics of infrastructure investments, enabling platforms to manage risks efficiently and promote long-term growth.

Although Indonesian equity crowdfunding platforms have made significant progress in opening up investment opportunities to the public, continued innovation and cooperation are necessary for these platforms to remain flexible enough to accommodate infrastructure projects. Infrastructure development initiatives, such as IKN, can be effectively supported by platforms through the development of strategic partnerships, diversification of investment products, leveraging technological advancements, and enhancement of risk management capabilities. In addition to stimulating economic growth, this initiative addresses urgent infrastructure needs and generates long-term value for both communities and investors.

Financial and Regional Development

With programs like the Ibu Kota Nusantara (IKN) project, equity crowdfunding in Indonesia presents a significant opportunity to advance regional development and financial inclusion. To effectively incorporate equity crowdfunding into infrastructure financing, public-private partnerships (PPPs) are crucial. PPPs use private capital in conjunction with public resources to close funding gaps and guarantee sustainable development. Through these partnerships, government agencies, crowdfunding platforms, and project developers can collaborate more effectively, promoting accessibility and transparency in infrastructure investments.

Equity crowdfunding platforms democratize access to financing, empowering marginalized communities and promoting local economic growth by involving institutional and retail investors. Platforms can customize investment products to match regional development priorities, thereby supporting initiatives that raise living standards, create jobs, and enhance local infrastructure across Indonesia's diverse regions. Addressing inequalities and fostering fair economic growth across the archipelago depend on this inclusivity. Effective case studies from around the world demonstrate how crowdfunding can enhance local businesses, revitalize communities, and enhance economic resilience. For example, in developed nations, crowdsourcing has boosted local economies by supporting renewable energy initiatives that boost neighborhoods through community projects. These illustrations offer valuable insights that Indonesian platforms can utilize to refine their best practices and

approaches, thereby enhancing investor confidence and maximizing their socioeconomic impact.

To ensure efficient approval procedures, compliance with environmental, social, and governance (ESG) standards, and transparency in project financing, regulatory frameworks are crucial to the success of these initiatives. Policies from the government, such as tax breaks and funding for infrastructure improvements, can further encourage crowdfunding in rural and underdeveloped areas.

To fully realize the revolutionary potential of equity crowdfunding, legislators must create an environment that fosters creativity and teamwork. This involves fostering collaborations among community organizations, local governments, and crowdfunding platforms to identify profitable investment opportunities and effectively manage regulatory requirements. To ensure that the economic benefits are distributed fairly throughout Indonesia, platforms can be encouraged to prioritize investments in underserved areas and socially impactful projects by providing clear guidelines and incentives. Moreover, capacity-building programs and educational initiatives are crucial for enhancing awareness among investors and project developers about the benefits and opportunities of equity crowdfunding. Stakeholders can support sustainable development objectives by gaining an understanding of risk-sharing arrangements and the long-term returns on infrastructure investments. In Indonesia, equity crowdfunding has the potential to be a potent instrument for regional empowerment and equitable economic development. Crowdfunding platforms can be crucial in helping to finance important infrastructure projects like IKN by utilizing PPPs, improving financial inclusion, fostering local economic development, and showcasing successful case studies. In addition to addressing infrastructure deficiencies, this comprehensive strategy promotes sustainable socioeconomic development and raises community standards of living nationwide in Indonesia.

Policymakers can leverage the transformative potential of equity crowdfunding to drive equitable prosperity and inclusive growth throughout Indonesia by promoting sustainable development goals and creating an enabling environment. This will advance regional development and enhance the quality of life for all communities involved. successfully

5. Conclusion

Initiatives such as the Ibu Kota Nusantara (IKN) project exemplify the transformative power of equity crowdfunding in Indonesia, promoting equitable economic growth and regional development. With the support of strong public-private partnerships (PPPs), the incorporation of crowdfunding platforms into infrastructure financing has demonstrated potential in filling funding shortages and raising private capital for important projects. By democratizing investment opportunities, this strategy not only increases financial inclusion but also boosts local economies, creates jobs, and raises living standards in various archipelago regions. Effective case studies from various international contexts demonstrate how crowdfunding can boost local businesses, revitalize communities, and increase economic resilience. Indonesian platforms can utilize these examples to implement best practices, enhance investor confidence, and optimize the socioeconomic impact of crowdfunding projects.

To fully realize the potential of equity crowdfunding in Indonesia, concerted efforts across several fronts are essential:

Improving Regulatory Frameworks: To guarantee investor protection, market integrity, and transparency in crowdfunding activities, regulatory frameworks must be continuously improved. To incentivize platforms to prioritize socially impactful projects and successfully navigate regulatory complexities, it is important to establish clear guidelines and incentives.

Fortifying Public-Private Partnerships (PPPs): Enhancing cooperation amongst crowdfunding platforms, governmental organizations, and community members can reduce risks connected with infrastructure investments, expedite project execution, and optimize resource allocation. PPPs ought to receive additional incentives in order to draw in private capital and advance the goals of sustainable development.

Encouraging Financial Inclusion: Building a strong crowdfunding ecosystem requires measures to improve investors' and project developers' understanding of and sensitivity to financial matters. Programs aimed at enhancing capacity can enable local communities—especially those in isolated and economically underprivileged areas—to take an active role in infrastructure development projects.

Harnessing Technological Innovations: Continued investment in technological advancements such as blockchain for transparency and AI-driven analytics for risk assessment can enhance operational efficiency, improve user experience, and strengthen investor confidence in crowdfunding platforms.

Policy Support and Incentives: Policies from the government should be crafted to encourage crowdfunding activities in underserved areas. Examples of such policies include tax breaks and subsidies for infrastructure projects. These actions can alleviate infrastructure deficiencies throughout Indonesia, encourage job creation, and boost economic growth.

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